

**TOWN OF MILTON/TIDEWATER ENVIRONMENTAL SERVICES, INC.
WASTEWATER SERVICES AGREEMENT
AMENDMENT NO. 1**

WHEREAS, the Town of Milton (Town) and Tidewater Environmental Services, Inc. (TESI) entered a wastewater service agreement (Agreement) on or about February 24, 2007.

WHEREAS, the Agreement provides for a due diligence period of four (4) months beginning on February 24, 2007, with the Agreement becoming fully effective upon satisfactory completion of the due diligence.

WHEREAS, the Agreement contemplates that TESI will acquire an eighteen (18) acre parcel of land and pay the Town the sum of \$1.5 Million for same, and there is some uncertainty as to when the Town will acquire the land so it may be sold to TESI pursuant to the Agreement;

WHEREAS, pending legislation, namely Senate Bill 77, casts doubt on the ability of the parties to implement all the terms of the Agreement.

NOW THEREFORE, the Town and TESI, with the intent to be legally bound hereby, agree to amend the Agreement as follows:

1. TESI shall apply for a certificate of public convenience and necessity (CPCN) for a wastewater service territory to include the territory within the Town boundary as soon as possible. TESI shall subsequently seek to obtain additional CPCNs for territory to be served outside the current Town boundary. The Town shall cooperate with TESI in obtaining the CPCNs. Further, the Town shall adopt the resolution attached hereto in support of the CPCN for the service within the current Town boundary.

2. If the Town is unable to convey to TESI the eighteen (18) acre parcel of land located on Sam Lucas Road by the end of the due diligence period, the property shall be conveyed as soon as possible thereafter. If the Town is unable to acquire the 18 acre parcel within 90 days of this Amendment, the parties agree to make all possible efforts to find a new location to substitute for the 18 acre parcel. If TESI does not acquire 18 acre parcel of land from

the Town, it shall receive a credit of \$1.5 Million towards the \$3.9 Million sum owed as the "remaining balance" under the Agreement, and the connection fees waived in the contract for this parcel shall become payable under Paragraph 14 of the Agreement.

3. In the event Senate Bill 77 as amended by Senate Amendment No. 2 is enacted into law, the parties agree that TESI may not be the sole provider of wastewater services for the Growth Area, as provided for in Section C.1. of the Agreement, and TESI shall not pay to the Town the \$1,500.00 fee for new customer connections in the Growth Area, under Paragraph No. 14 of the Agreement. The \$1,500.00 connection fees for service within the Town's boundary including all property annexed into the Town shall remain payable in accordance with the Agreement.

4. The due diligence requirements set forth on page 14 of the Agreement are hereby deemed satisfied.

All other provision of the Agreement shall remain in full force and effect. The effective date of this Amendment No. 1 to the Agreement shall be the date on which the Amendment has been signed by both parties.

TOWN OF MILTON

Date: June 13, 2007

BY Donald Post, Mayor (SEAL)
Donald Post, Mayor

ATTEST: [Signature] (SEAL)

TIDEWATER ENVIRONMENTAL
SERVICES, INC.

Date: June 13, 2007 -

BY Gerard L. Esposito (SEAL)
Gerard L. Esposito, President

ATTEST: Bruce E. Patrick (SEAL)